

Algeria	4,000 Dr.	Ivory Coast	15,115	Norway	4,000 Nkr
Austria	0,450 Dr.	Ireland	1,200 Dr.	Portugal	0,700 Reis
Bahrain	0,450 Dr.	Jordan	450 Dr.	Romania	0,50 Dr.
Belgium	40,000 F.	Kyrgyz	500 Dr.	Russia	0,25 R.
Canada	0,45 Dr.	Liberia	1,000 Dr.	Russia	0,10 R.
Denmark	7,000 Dk.	Lebanon	0,45 D.	Spain	100 Pesos
Egypt	100 P.	Libya	1,000 Dr.	Sweden	6,000 Skr.
Falkland	4,000 P.	Madagascar	90 Dr.	Turkey	1,200 Lira
France	5,500 F.	Mali	100 Dr.	U.S.	0,500 Dr.
Germany	2,200 Dm.	Morocco	5,500 Dr.	U.S. and F.R.	0,50 Dr.
Great Britain	45 P.	Netherlands	2,500 Dr.	U.S. and F.R.	0,50 Dr.
Greece	70 Dr.	Nigeria	170 N.	Yugoslavia	100 D.

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PARIS, TUESDAY, MARCH 27, 1984

## Hart Wins Solidly In Montana Voting

Candidates Prepare for Major Tests In Connecticut, New York Primaries

Compiled by Our Staff From Dispatches

HELENA, Montana — Democrats in Montana put Gary Hart back on the winning track with a solid victory over Walter F. Mondale in their bid for delegates.

As the Montana results were coming in, the candidates were preparing for major tests in the East — the Connecticut primary on Tuesday and the New York primary April 3.

Senator Hart won in 41 of the 53 counties participating in Sunday's Montana caucuses and captured 49 percent of the vote. Mr. Mondale won 35 percent.

Party officials said preliminary calculations indicated that Mr. Hart won 11 and Mr. Mondale 8 of the 19 Democratic National Convention delegates at stake.

The party's final unofficial tabulations had Mr. Hart with 6,810 votes and Mr. Mondale with 4,929.

The Rev. Jesse L. Jackson had 719 votes, or 5 percent, while 1,30, or 9 percent, of the caucus participants expressed no preference.

Mr. Hart was defeated last week by Mr. Mondale in the Illinois primary and Saturday in caucuses in his native Kansas. The Colorado senator had not won since the Alaska caucuses March 15.

However, his campaign team was not ready to admit defeat in Kansas. With the support of five delegates left undetermined, officials say the contest is not yet over.

The final results showed Mr. Mondale with 17, or about 46 percent, of the 37 national delegates at stake. Mr. Hart with 14, or about 38 percent, and one uncommitted delegate.

Party officials said they could not determine the support of 5 of the 37 delegates because vote tallies in at least two congressional districts were too evenly divided between Mr. Hart and Mr. Mondale to calculate which candidate should get them.

(AP, UPI, NYT)

## Hart, Mondale and TV: Turning on the 'Hit' Machine

By Tom Shales

International Herald Tribune

WASHINGTON — The rapid rise of Senator Gary Hart of Colorado as a contender for the Democratic presidential nomination has again dramatized the tremendous effect that television has on U.S. politics.

Mr. Hart went almost overnight from being a virtual unknown to what a television anchorman called "a new hit single," less significant as a political figure perhaps, than as a media superstar.

Gary Hart appeared on the television scene only a few months after the many remain-

ing expected to be a long predictable ploy by Walter F. Mondale, the former vice president, to secure the nomination well before spring.

Just as television can instantly promote a product, a fad, a child star or a catchy slogan, it can instantly make a political candidate popular.

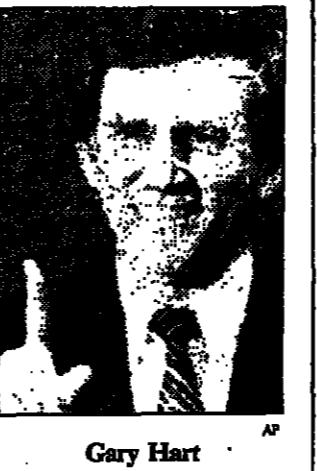
Mr. Hart has an image that is youthful, vigorous and maverick, a contrast to Mr. Mondale, who often appears stiff, official and old-fashioned in his television appearance.

Network news reporters seemed delighted to invent Mr. Hart and thus enliven what had

been a quiet commemoration of the 20th anniversary of the death of John F. Kennedy, who probably made better use of television than any of his predecessors and all of his successors until Ronald Reagan.

Mr. Hart may be linked in many minds with the Kennedy image. The candidate has even been accused of imitating Kennedy's mannerisms on TV to evoke that connection. An NBC correspondent, Roger Mudd, asked Mr. Hart about that in a roughhouse interview on the day of the "Super Tuesday" primaries earlier this month; Mr. Hart

(Continued on Page 3, Col. 1)



Gary Hart

## EC Seeks Scenarios to Head Off Likely Financial Collapse

By Youssef Azmeh

Reuters

BRUSSELS — No one seriously doubts that the European Community could run out of cash this year if its leaders fail to settle deep differences that have led to the collapse of the last two summit meetings.

But there is intense speculation over what might happen if the 10-nation bloc's funds do dry up.

The slide toward bankruptcy began last year when a 30 percent rise in spending on farm subsidies left the group about \$600 million short at the end of the year.

This was only a small part of the annual budget of \$22 billion, and an immediate crisis was prevented by deferring some payments until 1984.

The problem is much more serious this year because the shortfall could be up to \$2.5 billion, 10 percent of the budget and more difficult to absorb.

The most recent summit foundered in Brussels last week on Prime Minister Margaret Thatcher's demands to cut British contributions to the budget and impose strict spending controls. The meeting followed failure of the previous summit in Athens in December.

Spending could easily be kept in check in nonfarm areas, where commitments are flexible, but there is little the EC Commission can do about the rising costs of farm subsidies that are distributed under the legally binding procedures known in the EC as obligatory expenditure.

It can delay payments of production and export subsidies to farmers and farm traders, a move that may become necessary but that the EC is reluctant to make because of the disruptions it could cause in commodity markets.

But even that may not be enough if farm ministers fail to produce adequate savings, if the U.S. dollar falls further and if dollar-based

sources of revenue remain low, adding another \$500 million to the annual bill.

Every year, ministers fix the guaranteed minimum prices for a wide range of farm products, spending two-thirds of the group's budget to subsidize farmers for any losses when market prices fall below those levels.

They met again Monday to work out a package for the critical 1984-1985 crop year that begins next Sunday. They must set prices, production levels and premiums to encourage growth in some areas, and levies to discourage them in others.

The exhaustion of the group's

cash another \$750 million this year.

"It could add up to \$2.5 billion," an official said. "If we haven't got it, we will have to default and the farmers and traders will be the first to take us to court."

Community treaties insist that the budget must remain in balance and impose strict limits on the cash available.

The budget has hit the ceiling on its one flexible source of revenue — a 1 percent share of the value-added tax in member states that provides more than half the income.

The 10 EC leaders agreed before their Brussels meeting to raise the share of the value-added tax to 1.4

percent if an overall financial reform package were agreed to.

This would not automatically have produced the additional cash needed this year because of the time it would have taken for ratification by the 10 national parliaments.

But it would have cleared the air of the contentious issues, opening the way for the unanimous agreement needed to provide direct subsidies from national budgets and to allow the European Commission to borrow.

The commission, which runs the community's day-to-day affairs, says it will ask member states to

(Continued on Page 2, Col. 3)

### INSIDE

■ Iraqi Shiites have rejected the call for an Islamic revolution and are fighting Iran. Page 2.

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■ To many U.S. scientists there are important nonpolitical reasons for the United States to stay in UNESCO. Page 5.

### BUSINESS/FINANCE

■ Latin American finance ministers meet in Uruguay to seek better terms for their \$340 million of debt. Page 7.

■ Saudi Oil Minister Yamani expects the worldwide glut to last two more years. Page 7.

### ARTS/LEISURE

■ "Akhnaten," a new opera by the American composer Philip Glass, had its world premiere at the Stuttgart Opera. Page 6.

At a time when Christianity wanes about its future in Western countries, it is flourishing to such an extent in South Korea that many people expect it to overtake Buddhism in a few years as the No. 1 religion. The number of Christians doubled in the last decade, and most denominations expect the number will double again over the next 10 years.

The spectacular growth will be highlighted when Pope John Paul II visits in early May to commemorate 200 years of Roman Catholicism in Korea and to canonize 103 Christians who fell victim to persecution a century ago.

According to government surveys, one out of six South Koreans identifies himself or herself as a Christian, but church leaders believe the true figure is closer to one out of four, a total of 9 million out of a population of 40 million.

Catholics account for 1.5 million of the total. Presbyterians, with five million, are by far the largest Protestant denomination. Although some Americans associate Korean

Christianity with the Rev. Sun Myung Moon and his Unification Church, he is a minor force in his homeland.

There are, by some estimates, 11 million Buddhists, and smaller numbers of adherents of Confucianism, Shamanism, Islam and a South Korean religion known as Chondogyo.

In many respects, South Korean Christianity is a mirror of the South Korean spirit — assertive, pragmatic and given to a measure of fractiousness. There are at least 68 identifiable denominations and subdenominations. The Presbyterians alone are divided into five major groups and 27 smaller ones.

Christianity has become one of the strongest forces in the country politically as well.

Church officials and lay people, for example, provide a core of opposition to the four-year-old regime of President Chun Doo Hwan. Denominations associated with the National Council of Churches in Korea, which often takes an anti-government stance,

claim 2.1 million members. Arrests of clergymen have not been unknown during Mr. Chun's tenure.

It is the social activism of certain churches rather than their spiritual dynamism that attracts some followers. "Many people feel that religious cover is safer than being alone in the opposition camp," said Oh Jae Shik, a National Council of Churches official.

But while Christians may be conspicuous among South Korean dissenters, those who are actively opposed to the authoritarian government constitute a small percentage of the overall church population. Most sects, if they have politics at all, are conservative, providing leaders of government as well as critics of it. Of the dozen

sides to Mr. Chun killed in last fall's bombing attack in Rangoon, Burma, during a presidential visit there, half were Christians.

Perhaps no better example of South Korean Christianity's vitality exists than the Full Gospel Church in Seoul, a stronghold of

evangelism that aggressively recruits members, now said to number 350,000.

Sundays at Fall Gospel bring echoes of New York's Madison Square Garden. For each of seven services, 10,000 people fit into the cavernous main church and 15,000 more attend in a dozen adjacent auditoriums. They watch on closed-circuit television while the preacher watches them on a 12-monitor console.

The message at Fall Gospel is hope — that life in the world, not to mention in South Korea, is fine. "We must get rid of grumblings and complaints," the Rev. Cho Yong Mok said in a recent sermon.

Christianity traces its origins in Korea to French Catholic priests two centuries ago. It began to flourish after the arrival of an American Presbyterian missionary, Horace Allen, in 1884. By the early part of this century, Christianity had taken such hold that not even the fervently anti-Christian Japanese could

(Continued on Page 2, Col. 4)

## Assertive, Pragmatic Christianity in Ascendant in South Korea

By Clyde Haberman

New York Times Service

KWANGJU, South Korea —

Among the first sights to catch the visitor's eye are the crosses.

It is not just that there are so many of them, perched upon buildings and forming rooftop lattices across many blocks. What is starting in South Korean cities is how the crosses are set on pyramidal steel towers, struggling to reach

higher than those atop neighboring churches. At night, they glow in red neon against the sky.

In parts of Seoul, people leave home as early as 4:30 A.M. to attend church services. One Roman Catholic parish south of the Han River in the capital holds nine Masses each Sunday. In Kwangju, in the southwest, church officials say there are not enough ministers and priests to fill the demand.

"Every parish has three or four Masses on Sundays, most of them four," said the Roman Catholic archbishop of Kwangju, Youn Kong Hi.

At a time when Christianity wanes about its future in Western countries, it is flourishing to such an extent in South Korea that many people expect it to overtake Buddhism in a few years as the No. 1 religion. The number of Christians doubled in the last decade, and most denominations expect the number will double again over the next 10 years.

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Christianity with the Rev. Sun Myung Moon and his Unification Church, he is a minor force in his homeland.

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claim 2.1 million members. Arrests of clergymen have not been unknown during Mr. Chun's tenure.

It is the social activism of certain churches rather than their spiritual dynamism that attracts some followers. "Many people feel that religious cover is safer than being alone in the opposition camp," said Oh Jae Shik

## Iraq Seems to Have Won Allegiance of Its Shiites Against Iran

By William Drostiak  
Washington Post Service

NAJAF, Iraq — The simple wooden coffin is opened to expose the linen-wrapped corpse and borne aloft by grieving male relatives, followed by women in black chador who wail and ululate as the funeral procession enters one of Islam's most sacred shrines.

The ritual has become a depressingly common event in this holy city, as the bodies of Iraqi Shiite soldiers are paraded by the burial site of Imam Ali, the Prophet Mohammed's son-in-law, who is considered the founder of Shia Islam.

The frequency of such funerals provides vivid if sober testimony that many Iraqi Shiites have decided to fight and die for the secular government of President Saddam Hussein rather than heed the exhortations of Ayatollah Ruhollah Khomeini.

The Iranian leader, who prayed at Ali's tomb every day during the 14 years he spent here in exile, has tried to export his Islamic revolution into Iraq and the Gulf Arab states by urging native Shiite populations to "rise up and overthrow their oppressors."

The apparent reluctance of the Iraqi Shiite majority, who form 55 percent of the population, to follow the politics of fellow believers in Iran reveals an abiding nationalistic distrust of their Persian neighbors and an

intense disdain for the excesses of Ayatollah Khomeini's harsh fundamentalist rule.

It also reflects the relative success, at least until now, of Mr. Hussein's "carrot and stick" strategy of courting the Shiites with money to restore their mosques and improve their living standard while cracking down brutally on Shiite dissidents, who have used terrorism in their attempt to topple the Iraqi government.

Mr. Saddam's quest to win the allegiance of Shiites

through nationalism, if not religious, sympathies figura-

tively in the Iraqi withdrawal from Iranian territory nearly two years after he dispatched his forces into Iran at the start of the war with the aim of seizing full control of the Shatt al-Arab waterway.

Much of the Iraqi infantry is composed of Shiites,

who were said to have been dismobilized by the difficult and costly effort to capture and hold Iranian lands.

Since then, the political and military leadership in Baghdad has cast the war in terms of a struggle for national survival. As a result, the morale of Shiites in the Iraqi front lines has improved, according to foreign military sources.

Mr. Saddam's government has also reaped an im-

portant measure of good will from its belated cam-

paign to disperse the country's oil wealth to poor

Shiite communities. Hospitals, playgrounds and mod-

ern housing projects have been built in many Shiite towns in the last three years, despite a war effort that costs more than \$500 million a month.

The gold-domed shrines at Najaf and Kerbala have been refurbished with crystal chandeliers and central air conditioning. Portraits of Mr. Saddam at prayer are prominently displayed to bolster the leader's Islamic credentials.

The Iraqi government has also managed to "nation-

alize the mosque," as a Western diplomat put it, by installing politically loyal clergymen in key posts of the Shia hierarchy.

"In many ways, Saddam has learned from the shah's mistakes," the diplomat said. "He can definitely make the claim that his government has responded to the needs of the Shiites much more than was the case four years ago."

At that time, the Iraqi government feared the im-

pact of the Iranian Revolution through the stirrings of

the Shiite Dawa party, a clandestine fundamentalist

group intent on promoting religious upheaval in Iraq.

Mr. Saddam then expelled more than 100,000 Shiites,

many said to be of Persian origin, and directed the secret police to intensify its suppression of the Dawa party, which means "the call."

Its leader, Mohammed Bakr al-Sadr, and his sister

were arrested and executed in 1980 on charges that

they plotted an assassination attempt against Tariq Aziz, Mr. Saddam's close adviser and the current foreign minister. Iraq accused the Khomeini govern-

ment of directing the plot, a charge that many analysts cite as a cause of the war.

Iraqi police have continued to hunt down members

of the Dawa party, and more than 600 have been

executed since the war began, Western diplomats said.

Despite this, Dawa guerrillas have persisted in an

intermittent campaign of grenade attacks and suicidal truck bombings, purportedly with the support and

training supplied by the Khomeini regime.

Iraqi officials believe that the internal threat has

been largely contained, but they admit that the Dawa

terror campaign abroad may be difficult to control as

long as the Khomeini regime intends to foment Islam-

ic revolution throughout the Middle East.

Only last week, Iraqi authorities produced a 24-

year-old Shiite named Sharif Abdel-Hussein Jassim,

who it was claimed had received terror training at a

camp in Ahwaz, Iran. He was seized in Baghdad,

authorities said shortly before he was to have attempted

a series of bombings timed to Iran's latest war

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## Reagan's Year-Old 'Star Wars' Effort Continues, but in Scaled-Down Form

By Charles Mohr  
*Washington Post Service*

**WASHINGTON** — A year after President Ronald Reagan proposed a defense against ballistic missiles, advisers in his administration seem to have succeeded in making it a go-slow effort with relatively limited goals.

This has not stifled argument about the feasibility or desirability of Mr. Reagan's proposal, made in a televised speech March 23, 1983, to try to create a workable missile defense. The program now has an official name, the Strategic Defense Initiative. Some of the president's close advisers call it "Star Wars," suggesting the exotic and currently unattainable technology that could destroy missiles in flight.

In the 35 years since the Soviet Union detonated its first nuclear weapon, the United States has relied entirely on a policy of deterring nuclear war by producing weapons to retaliate if the Soviet Union attacked.

Mr. Reagan's speech raised the possibility of a system that would attempt to shield the United States from any such attack. Critics quickly protested that this could invite pre-emptive war if the Russians felt that their own nuclear forces had been disarmed.

The relatively modest nature of the program so far, and the ambiguity about its goals, can be seen in

congressional testimony and comments by officials.

Richard D. DeLauer, the undersecretary of defense for research and engineering, told Congress this month: "No decision has been made to develop and deploy any weapons or other elements of the potential system. Our state of

### NEWS ANALYSIS

knowledge of the relevant technologies is inadequate."

He added that the effort was meant to find evidence "for an informed decision" by the early 1990s whether to pursue a real missile defense system.

Mr. DeLauer also testified that defensive technologies could potentially "enhance deterrence and help prevent nuclear war by reducing significantly the military utility of Soviet pre-emptive attacks" and undermining Soviet confidence about nuclear war.

That rationale, for even a modestly increased research program that will cost about \$2 billion in the next fiscal year and \$24 billion from 1986 to 1989, struck both supporters and foes of nuclear defense as what one scientist called "a giant step backward" from the administration's original goal of a technically "reliable" defense.

The administration specialists embraced advice last summer from a study panel on defensive technologies. The panel said the new program should concentrate on the most advanced, if also the most remote, technologies.

The study team and administra-

ready have reported to the Environmental Protection Agency that methyl bromide is showing up in citrus fruits from Florida at levels up to four times greater than the agency has deemed acceptable for EDB. Methyl bromide, like EDB, enjoys an long-standing exemption from residue limits under food safety laws.

The findings confirm the fears of agency officials, who have frequently warned that banning EDB might prove to be little more than a superficial solution to a serious problem.

"I am concerned that we are merely exchanging the devil we know for the one we don't know," the agency's administrator, William D. Ruckelshaus, said last month, before announcing sharp restrictions on EDB's use as a fruit fumigant.

But if methyl bromide turns out to be another "devil" in the U.S. array of agricultural chemicals, it likely will be years before the Environmental Protection Agency can take action to restrict its use. With EDB, identified as a carcinogen in 1973, the process took more than a decade.

EDB was banned for use in the soil in September after tests showed that alarmingly high levels of the chemical were showing up in drinking water supplies. Officials in Florida and other states were counting on Telope II, a Dow Chemical Co. product, to replace EDB in their nematode control programs.

But Dow has withdrawn Telope II for that use after seeing preliminary results of a study showing that it caused a significant number of rare urinary-tract cancers in laboratory animals.

Meanwhile, recent laboratory tests have cast a cloud over the last remaining pesticide used as an injectable soil fumigant to kill root-eating nematodes.

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According to Mr. Johnson, the producers have 90 days to review that letter and six months to start collecting the information. Until the information is received, the

agency will have little evidence to support a residue limit on methyl bromide in milled grains or fruit.

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# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## How European Is Britain?

The long, rancorous quarrel within the Common Market has now brought it to an impasse, and even perhaps to the possibility of some sort of partial dissolution. It is being slowly forced to a resolution, as political issues often are, by a financial crisis. The Common Market spends most of its revenue on agricultural subsidies, and because they are too high, it is running out of money. But before the 10 countries that belong to the Common Market can take up its budget, they have to solve the British grievance. Britain, in the person of its prime minister, Margaret Thatcher, now stands squarely in the path demanding a solution before the 10 proceed to anything else.

It is quite true that cost allocation formulas are extremely unfair to Britain, which, as one of the poorest members, now pays the second highest contribution. But it is also true that Britain joined 11 years ago knowing what those formulas were. The British assumed at the time that, once inside, they would be able to work something out. They underestimated the importance of the agricultural subsidies to the politics of the continental community.

To Britain, which two centuries ago ended the painful process of consolidating its agriculture into a small number of highly efficient farms, the Common Market's farm price supports are an outrage and an affront to reason. To the continental Europeans among whom

that process is still very much in progress, the subsidies are a crucial shock absorber in a period of great social change. The continental, and particularly the French, take the whole dispute to be disquieting evidence of the enormous differences of tradition and outlook that divide the British from the rest of Europe — or perhaps one should simply say, that divide them from Europe. That is really the heart of it: whether Britain is, by history and geography, part of Europe or separate from it.

As usual, principles have become entangled with personalities. France's President François Mitterrand has invested much time and prestige this winter in trying to broker a settlement. But five years of trying to negotiate a better deal for Britain has brought out all the intrusiveness and abrasiveness in Mrs. Thatcher. As the latest European summit meeting ended unproductively in Brussels last week, the Italian prime minister exclaimed, "She managed to argue with everybody about everything."

In technical terms the British grievance is now apparently within shouting distance of a compromise that most people, or at least most technicians, would consider tolerable. But this is not a technical issue. The question is whether the British really want to stay in the Common Market, and at what price — and whether the continental really want them to stay.

— THE WASHINGTON POST.

## For a Quick Compromise

Margaret Thatcher says she will not approve this year's European Community budget unless Britain gets a \$1.3-billion rebate. François Mitterrand of France counters that it should have something less. Prime Minister Garret FitzGerald warns that not a penny of it can come from Ireland's dairy supports.

To most Americans, the Common Market's budget crisis seems as remote as rugby rankings in New Zealand. The details are indeed petty: Only a few hundred million dollars separate the feuding parties. What is worrisome is that the budget stalemate epitomizes a greater malaise. European nations, stressed by a long recession, are becoming increasingly reluctant to sacrifice for the cause of unity. That should matter a lot to Americans.

On its face, the crisis is about farm supports and who should pay for them. To keep domestic political peace, some EC members, notably France, Italy and Ireland, want to maintain the incredibly high commodity prices guaranteed to Europe's farmers. West Germany, no friend of an agricultural policy that makes it pay added billions of dollars each year, supports gradual reforms. Mrs. Thatcher wants rapid reductions in the subsidies and, meanwhile, a reduction in Britain's burden.

She is right on the merits. Like America's farm supports, the EC's \$15-billion agricultural policy is an expensive disgrace. It enriches a tiny minority, encourages inefficient produc-

tion and has become an increasingly serious irritant to relations with efficient food-exporting countries. But what The Economist calls Mrs. Thatcher's "blunt as a truck" style has obviously made compromise difficult.

The crisis may be resolved when the EC foreign ministers meet this week. But the fact that it has dragged on for a year, deranging three summit conferences, suggests that the member nations have grown complacent.

The Community was meant to be a first step toward a common government. That goal remains remote. But the EC has made substantial achievements — elimination of trade and travel barriers, cooperation in industrial planning. Limited economic integration has forced backward industrial sectors to modernize, feeding the engine of European growth. Economic success, in turn, has helped minimize internal political strife, serving the NATO alliance. Some of these benefits might have come through other arrangements. Some, like the European Monetary Union, in fact did. But it would be foolish to believe that the cause of economic integration and the alliance it serves can survive without effort.

One hopes that the casual talk in Brussels about the coming collapse of the Community will scare Europe's leaders into a quick compromise. It certainly has scared the Communists' friends on this side of the Atlantic.

— THE NEW YORK TIMES.

## Other Opinion

### Indonesia's Cambodian Move

Indonesia has been active in seeking a comprehensive and just political settlement for the Cambodian question. The question is complex, having the backgrounds of hereditary enmity between Cambodia and Vietnam and between Vietnam and China. To top it all, China and the Soviet Union seek to strengthen their respective influence in that region.

Indonesia and other ASEAN countries are not party to the Cambodian conflict but try as individuals and as a group to assist finding a solution through bringing both conflicting parties to the conference table.

— The Indonesian Times (Jakarta).

Too much should not be read into the Indonesian initiative, which began when General Benny Mardani, commander of Indonesia's armed forces and a confidant of President Suharto, said in Hanoi that China, not Vietnam, posed a threat to Indochina's security.

While the Southeast Asian countries are understandably worried about Vietnamese expansionism, it is apparent that they are faced with a fait accompli in Cambodia.

But the ASEAN countries are particularly susceptible to pressures from Beijing and Washington, perhaps even more than Hanoi, of late, has been to Moscow's arm-twisting. Given this scenario, some amount of skepticism must be expressed regarding the hope of seeing regional solutions to regional problems.

— The Statesman (New Delhi).

### A 'Rare Chance' for Filipinos

The parliamentary election in the Philippines on May 14 offers a rare chance for

the EC Crisis Causes Worry

It is a pity that the European Community, as the world's largest trading group with its GNP equaling that of the United States, is at a loss to adjust domestic issues in the face of the catastrophic situation. Its critical plight is doomed to cast dark clouds over the world politically and economically. It is thus strongly hoped that the EC will settle the problem and restore solidarity. Because of the discordant air prevailing in the EC, especially in Anglo-Franco relations, Japan will find it difficult to have a smooth dialogue with the EC.

The Community was inaugurated on the basis of an idealistic concept designed to maintain prosperity in Europe and to end war, once and for all. We sincerely hope that the EC will live up to the expectations of the world.

— The Mainichi Daily News (Tokyo).

### FROM OUR MARCH 27 PAGES, 75 AND 50 YEARS AGO

#### 1909: Land Slips on Canal Project

PANAMA CITY — A big slide has taken place in the embankment of the railroad near Gatun (on the Panama Canal project). A section of a fill 300 feet long has settled about thirty feet. The embankment had reached practically its final height of ninety-five feet above the sea level, having the full width required throughout nearly the entire length. This slide is identical with others that have taken place. The heavy rock dumped there has settled, displacing the soft mud and clay below. In previous slides here the movement was eastward towards the hills of the Gatun ridge, indicating that the wide, flat slope built along the west side of the embankment had stopped movement in that direction.

#### 1934: Giant Mirror May Be Marred

CORNING, New York — The years of work in designing, moulding and perfecting the 200-inch mirror for the world's largest telescope may go for naught after an accident (on March 26) during the pouring of molten glass, when several cores in the mould broke and floated to the surface, possibly to mar the perfection of the giant reflector which is scheduled for use at the Mount Wilson Observatory, Pasadena, California. Engineers in charge of the delicate task of pouring 40,000 pounds of molten glass heated to 4,000 degrees Fahrenheit decided to fish out the cores, but it will be nearly three years before it will be known whether the mishap has caused any imperfection, as it will require that length of time before the grinding and polishing of the mirror can be completed.

The attention that China lavished on Mr. Nakasone, whose four-day state visit has come just a few weeks before a scheduled China tour by President Reagan starting in late April, underscored Beijing's need to secure a political ally and economic benefactor in Asia.

The economic and political effects of increasingly close links between the two countries are far-reaching.

In the economic sphere, the huge credit is only the latest example of the importance Japan attaches to China's enormous market. In the past decade since China joined the World Trade Organization, Japan has had great tenfold. As China's largest trading partner, Japan accounts for 25 percent of total Chinese imports and exports of about \$40 billion. China, meanwhile, counts for less than 5 percent of Japanese trade.

Moreover, China looks to Japan to provide the technology and expertise that will fuel Beijing's massive modernization drive. The \$2-billion loan Mr. Nakasone brought by China to buy Japanese equipment.

Japan alone has supplied well over 50 percent of the foreign-built industry in China, emphasizing support for China's energy development. Tokyo has sponsored several major coal projects with an eye to future imports.

Viewed geopolitically, the friendship between the world's most populous country and Asia's most economically powerful one is a central element influencing U.S.-Soviet competition in the Far East. The expansion of Soviet nuclear missile forces in the East is an explicit threat to both China and Japan.

The Soviet military buildup in Siberia, Japan believes, is a direct reaction to the Chinese-Japanese peace accords signed in 1978. Despite recent efforts by Moscow to reduce tension with Beijing, indications are that China remains deeply suspicious

#### The Entire UN System?

Regarding the column "Pressing UNESCO to Clean Up" (March 2):

Flora Lewis is to be congratulated on her realistic assessment of the mismanaged, boondoggling conditions at UNESCO. World events are at last shedding light into UNESCO's darkness. However, the disorder exposed at UNESCO is emblematic of the entire UN system, politicized from the earliest years by corrupt administrative practices and undisciplined throughout its existence by any form of public accountability.

UN programs of a "positive" character are almost, without exception gravely impaired by the same administrative anarchy and by the despotic incompetence with which they are directed. (The shambles at the Food and Agriculture Organization, for example, has been a scandal for decades.) However nominally meritocratic, these activities register an immense adverse disparity between quality and performance on the one hand and opportunities and resources on the other.

Whatever is useful in the work of UN bodies might long since have

been transferred to serious agencies remote from UN control. This is, above all, true with respect to the appalling history of the United Nations in the field of human rights. The organization's inward debility has played a tragic underlying role in UN failure amid the global crisis.

The UN system represents an expenditure of public energies and of many billions of dollars annually from which infinitely more benefit could be obtained. The world can no longer afford to indulge the organization's extravagance and its ramifications of every rational criticism.

Flora Lewis is to be commended. It should not require courage to tell the truth about the United Nations, but apparently it does.

SHIRLEY HAZZARD  
New York

#### Japan's Military Budget

Two March 2 columns — by Shinichiro Asao and William V. Kennedy — call for the following comment:

Japan's official development assistance is vastly inferior to that of other major industrialized countries in terms of GNP share. Although Paki-

stan, Egypt and Turkey are strategically important countries, Mr. Asao's argument is at best unconvincing, as these are notable exceptions in a budget whose level has not proven Japan's dedication to general-purpose development aid.

Mr. Kennedy's description of mainland China is slightly misleading. Although the Chinese leadership is indeed very sensitive to Soviet ambitions, there is no reason why it would be "driven back into some sort of military relationship with the Soviet Union" should Japan rearm.

A key aspect of defense spending in the West and in the Soviet Union is that civilian uses are derived from products, materials or processes developed for military purposes. It should be remembered that Japan has achieved large strides in electronics technology for consumer or industry use, and ironically, is now being courted by the United States for applications in the military field.

I disagree with Mr. Kennedy's assertion that "the prestige of the pro-U.S. leadership will decline" in Japan if there is pressure for rearmament. The 1-percent barrier is likely to be surpassed in 1984 because of pay in-

## A Success For Reagan In Africa

By Stephen Rosenfeld

WASHINGTON — With the visual proviso that everything may fall apart, the Reagan administration's exercise in regional de-escalation in southern Africa deserves a look. It will be historic if it comes off and it will be owed to an unusual combination of actors, including President Reagan and an obscure bureaucratic, Chester Crocker, a mild-mannered former academic with a mind like a steel trap.

Sophisticated Americans are so accustomed to remaking the simplicities of Mr. Reagan's anti-communism that they fail to recognize that some foreigners take deep comfort from them and make critical decisions on that basis. Thus has South Africa, which fears international communism viscera, apparently decided to try out new living arrangements with its currently and potentially Marxist-named neighbors.

Pretoria could soon have more peaceful and productive ties with its nearby Marxists than Washington has had with its in 25 years.

Those of us who have criticized Mr. Reagan for overdoing the aspect of East-West competition in the Third World need to pay attention. This tendency has been repeatedly identified as the element working against local accommodation. But precisely the explicitness and credibility of his East-West emphasis is what appears to have brought the South Africans around.

In private letters to Pretoria, Mr. Reagan has reinforced his central strategic anti-Soviet concern. He seems to be getting South Africa to do things — halt its destabilization of its neighbors, bring independence to Namibia — that Jimmy Carter could not do and that Carter people have insisted Mr. Reagan could not do.

Chester Crocker, assistant secretary of state for African affairs, supplied the political intelligence to bring Mr. Reagan's strategic instinct into useful play. He is the methodical, amiable, low-key former Georgetown professor whose 1980 article in the journal Foreign Affairs — "South Africa: Strategy for Change" — filled the Republican Party's Africa-policy vacuum intellectually as Mr. Crocker himself has filled the administration's Africa chair bureaucratically.

There is a window of opportunity in South Africa, he advised. Get involved in order to have influence. Treat the white government with respect. Conduct a sustained and nimble diplomacy. Work with blacks in the region as well as whites, and with Marxists as well as non-Marxists. American credibility in Moscow and Havana depends on adopting a strong line, against the principle of introducing external combat forces," he wrote — meaning Cubans out.

His "constructive engagement" offered something to almost everybody. To South Africa it offered guerrilla-free borders, the onset of normal ties with its neighbors, greater legitimacy elsewhere. To Namibia, including the SWAPO guerrillas, it offered peaceful independence process.

To Angola and Mozambique, Mr. Crocker offered relief from the terrible South African destabilization. To Angolan insurgents, a crack at power-sharing. To other African states, avoiding the overflow lava.

To Cuba he offered the opportunity to leave Angola claiming success. To the Soviets, the chance to cut costs in Angola and Mozambique and leave their Marxist regimes standing. To America, the asserted satisfaction of advancing peace and stability and reducing the Soviet presence.

Are South Africa's blacks the true losers? Angola and Mozambique must now stop supporting the guerrillas of South Africa's black nationalist movement, the African National Congress. And the West, appreciating the strategic fruits, may not press Pretoria as hard on apartheid.

But Mr. Crocker has earned a fresh hearing for his view that the sources of South African change are much less the guerrillas and apartheid's Western critics than the economic and social factors that thrust blacks ever deeper into the national life.

How much will it matter if new restrictions come to be placed on the guerrillas, or new inhibitions on the critics? Those who hope or fear that South Africa's foreign policy has locked it into its domestic status quo stand to be equally wrong. Economic growth and interchanges with the world are engines of racial progress.

The writer is deputy editorial page editor of The Washington Post.



## The Holocaust: A Small People Unheard

By Arthur J. Goldberg  
and Arthur Hertzberg

This is the second of two articles in which former U.S. Supreme Court Justice Goldberg and Arthur Hertzberg, professor of history at Columbia University, summarize conclusions of a review of the action of American Jewish groups to promote the rescue of Jews from Nazi-occupied Europe.

But Roosevelt and Churchill were the central figures whom Jewish leaders in the free world had to persuade to act. In fact, repeated approaches were made to both, and especially to Roosevelt, by delegation after delegation.

The questions are, therefore, whether those delegations pressed hard enough and whether they mounted sufficient public outcry to lend their attention to the plight of European Jewry.

The answer to both questions is that they did not, certainly not by the standards of today, when the Jewish community in America is much freer and more powerful than it was before and during World War II.

Jews were afraid that the isolationists and the American Nazis would succeed in persuading the country that this was "Rosenfeld's War." The more "American" the Jewish leaders were, the more they worried about the future of the Jews in America, the more they tended to take the route of private persuasion rather than public outcry.

The core of the issue of responsibility can thus be clearly defined. The British and the American governments were essentially immovable. They did not want to deal with a specifically Jewish issue during the war, even though at least some leaders in both governments knew all the facts about the slaughter. In the face of this, even if the American Jewish organizations had not been factionalized, underfinanced and too cautious, could they have done better?

Our answer is: They should have but they could not. Of course, world Jewry and especially the American Jews, the only major community

relatively untouched by the war, should have raised an outcry, day after day, that would have pierced the prevailing indifference. Certainly it was the moral obligation of this community not to continue with "business as usual."

But American Jewry was caught in a double trap, made up of its fears for itself, in a still anti-Semitic America, and of its cautious political attitudes, fashioned by many centuries of diaspora. In fact, these attitudes worked relatively well in the first phase of Hitlerism before the onset of the war. Quietly, without frontally assaulting American opinion and despite unfriendliness in some American consulates in Europe, many tens of thousands were admitted to the United States.

The war years, when the mass killings took place, were hard times in which to change attitudes. It was only in 1944, when the conflict was clearly won, that Jews dared to mount enough concentrated pressure, both inside and outside the Roosevelt administration.

It was too late to save the millions already murdered, but many thousands were rescued.

The record of rescue after 1944 is, thus, far better than that in 1942 and 1943, precisely because the fortunes of war had changed. But even in the last month of the war, much more could have been done; for example, the Allies still obstinately refused to bomb Auschwitz or the railroad lines leading to it.

Those who have kept alive the thought of re-thinking and re-evaluating the Jewish response to the Holocaust have often said that there is a lesson to be learned for the present. Contemplation of the horror of the 1940s, together with what has followed in recent years in other places and in other cultures, leads us to one inescapable conclusion: No matter how able the leaders of a small people may be in calling attention to its danger, there has to be someone out there willing to listen, who has the power to act.

The human tragedy in the 20th century, and in those before, is that moral altruism is rare among the wielders of power.

Los Angeles Times.

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A Success  
For Reagan  
In Africa

By Stephen R. Luntz

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## Soviet Murder Case Started With Poaching, Ended in Purge

By John F. Burns  
*New York Times Service*

MOSCOW — An official Soviet account of a miscarriage of justice, in which five men were falsely accused of a double murder in 1981, has ended with a wholesale purge of police and judicial officials in the western republic of Belorussia.

The shake-up, of apparently unusual severity in a case of this kind, was reported earlier this month in the government newspaper Izvestia. It followed an account of how policemen had extracted confessions by torture and conspired with prosecutors, the judge and other officials to gain convictions of men who were innocent of the murder.

The story, as first told in Izvestia last November, began on the night of July 8, 1981, when two investigators cruising a lake in southern Belorussia looking for poachers came across four men fishing illegally with nets stolen from a local processing plant.

The poachers were ordered to shore, and there, according to court testimony, they attacked the investigators, beat them, then held them underwater to be sure they died.

Within days, police in the town of Mozyr arrested five local men who, it turned out, did not know one another. When they were brought to court early last year in the provincial capital of Gomel, the prosecution produced

confessions and demanded the death penalty, standard punishment for killing officials in the course of their duty.

The judge settled on labor camp terms of 15 years for three of the men, eight years for the fourth and two years for the fifth, who was found not to have been a direct participant in the killings.

So matters stood until the small hours of April 30, 1983, when another double murder occurred in the Mozyr area in which poaching was involved. In this case, two policemen stopped a van being driven without lights, and the four men inside leaped out, fatally stabbing the policemen and drove off. But before dying, one of the policemen managed to radio the van's license number to headquarters.

The four men and a 16-year-old boy, all relatives, were arrested, and the carcass of a steer that had been stolen from a state farm was found inside the van.

As the second crime was investigated, clues suggesting that the two crimes were linked became overwhelming. The boy told investigators that his father and two uncles, who had been in the van, had stolen a fisherman's net two years earlier.

The boy also disclosed that his brother, the fourth man in the van, had a gun. A crime laboratory was able to determine that it had been taken from the body of one of the two fishery inspectors killed in 1981, according to the account of the two murder cases, published in Izvestia on Nov. 26.

The four men who had been in the van were convicted of both double murders and the boy's father, one uncle and brother were sentenced to be shot. The other uncle was given 15 years at hard labor, and the boy himself was sentenced to seven years for knowing of the murders and not reporting them.

Izvestia said the prison sentences of the five men falsely convicted of the murder of the two fishery inspectors had been quashed and replaced by new prison terms for poaching equivalent to time already served. No mention was made of compensation.

On March 4, Izvestia announced the dismissals of the Belarusian minister of internal affairs, Major General Gennadi N. Zhabitsky, and his deputy, P.S. Zhuk, the two officials responsible for the police in the republic. Among others removed were the chief prosecutor, Adam I. Mogilitsky, his deputy, P.V. Dudkovskiy, and the judge in the first trial, Vladimir V. Pylychenko, who was a member of the Belarusian Supreme Court.

Izvestia also reported the dismissal of M.K. Zhavnerovich, an "investigator for especially important cases."

Finally, the Mozyr police chief, two of his assistants and several other officials who were not identified were also removed from their posts.

The newspaper said some of those involved would be brought to trial. It also disclosed that most had received severe reprimands on their party records. In Soviet circumstances, this can be a serious penalty, ruining careers.

## U.S. Defenders of UNESCO

### Scientists Say Agency's Role in Research Is Critical

By Walter Sullivan  
*New York Times Service*

NEW YORK — The Reagan administration has threatened to withdraw from UNESCO on essentially political grounds. To many U.S. scientists, however, there are equally important nonpolitical reasons that the United States should remain in the organization.

The scientists say that if Washington withdraws at the end of this year, as threatened, it will forfeit a leading role in UNESCO's global research projects and cut Americans off from important scientific developments.

Dr. Robert M. White, president of the National Academy of Engineering, who has played a key role in organizing international research on climate, cited studies that are under way in geology, oceanography, hydrology, chemistry and conservation.

"We benefit a great deal from them," he said. "We can't do them alone, and some way must be found to continue them."

The United States is not alone in its dissatisfaction with the United Nations Educational, Scientific and Cultural Organization. Britain, West Germany and several other members have hinted that they too may walk out. Two weeks ago, 24 industrial nations gave UNESCO a list of proposed changes on matters from news censorship to financial practices. The United States joined in the protest, a sign that if the demands are met, it may not carry off its threat to withdraw.

Last December, in announcing the U.S. intention to pull out, the State Department complained that UNESCO had "extraneously politicized virtually every subject it deals with" and exhibited hostility toward the basic institutions of a free society, especially a free market and a free press, and has demonstrated unrestrained budgetary expansion."

Nevertheless, the State Department has given high marks to UNESCO's scientific projects. In a report to Congress in February 1983, it praised research programs "from neurobiology to mapping of ocean currents, from developing small-scale energy sources to the ecology of human settlements."

Through UNESCO, U.S. scientists are allowed in areas where, for political reasons, they would have been otherwise restricted," the report said. The State Department and the National Academy of Sciences are said to be exploring ways to protect this scientific role at UNESCO.

The future of U.S. participation in three UNESCO programs is uncertain. More than 350 Americans work in the International Geodetic Correlation Program; American researchers direct 10 of its 60

projects. A U.S. committee has a direct role in the program's search for mineral and energy sources.

Americans have a seat on the five-member directorate of the International Hydrological Program, a position that presumably will be forfeited if Washington pulls out of UNESCO. The United States also stands to lose its seat on the governing council of UNESCO's Man and Biosphere Program, which has 10,000 researchers in more than 100 countries.

One way the United States can continue to participate in UNESCO programs, structure and management," he wrote, "but in the area of sciences at least, there is no real alternative to UNESCO at the present time."

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Barbara Sadowska

## Warsaw Upholds Ban on Crucifixes; School to Reopen

*United Press International*

GARWOLIN, Poland — Communist authorities upheld a ban on crucifixes Monday at a school that has become the center of a dispute between the government and the Roman Catholic Church.

The decision was made on the eve of a regular meeting of the Catholic Episcopate, the highest church executive body. The Episcopate is to meet Tuesday to discuss the ban imposed March 7 at a vocational school near the town of Garwolin outside Warsaw. The government later extended the ban to all state-run schools.

The headmaster of the Garwolin school, Ryszard Domanski, said Monday that both he and the authorities were determined the crosses would not be restored to classrooms.

The school has been closed since students began protesting the ban. Mr. Domanski said it would reopen Tuesday, but only for senior students taking examinations.

Church sources said only senior students who have signed statements pledging their recognition of the school's secular character would attend classes Tuesday.

Jerzy Urban, the government spokesman, said "it has been quite clear on this matter — they will not be put back." Mr. Domanski said, referring to Mr. Urban's opposition to the crosses.

The government's decision brings it into renewed confrontation with the Roman Catholic Church. Polish bishops, led by Cardinal Jozef Glemp, have condemned the ban.

to have gone to trial in early February, has since been remanded to the prosecutor for further investigation.

In February, Wladyslaw Sliwowski, a former legal adviser to Solidarity and a defender of political dissidents, wrote an open letter to General Jaruzelski charging that "some state organs" were flouting Polish law. He urged General Jaruzelski to order proper investigations into the St. Martin's, Przemysl and Bednarkiewicz cases.

Mr. Sliwowski has since been placed under investigation for allegedly making slanderous charges harmful to Polish state interests.

## Sergio Osmeña Jr., 67, Dies; Ran Against Marcos in 1969

*United Press International*

BEVERLY HILLS, California — Sergio Osmeña Jr., 67, a former Philippine senator who unsuccessfully ran against President Ferdinand E. Marcos in the 1969 elections, died Sunday, apparently of a heart attack.

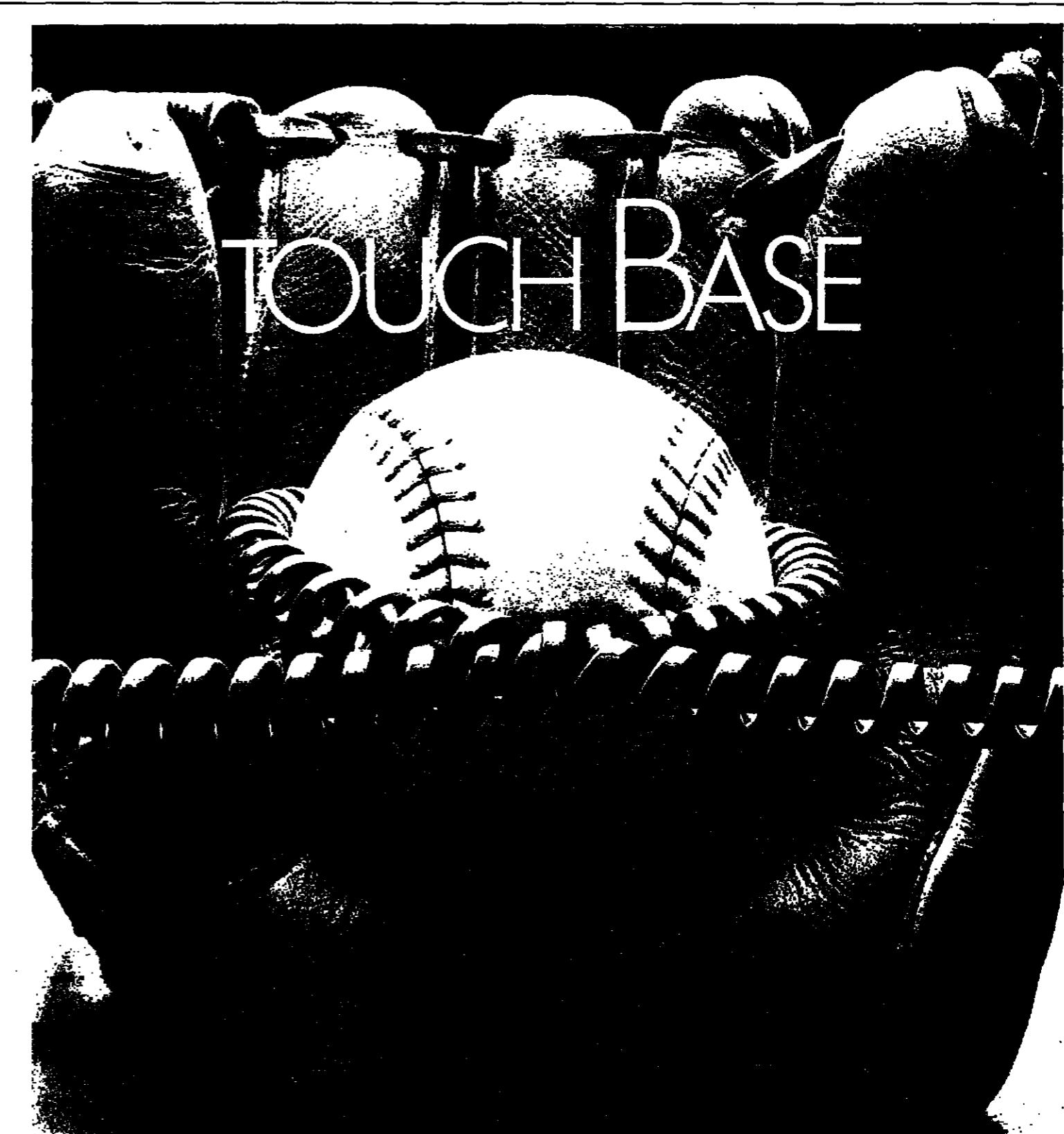
Following his election loss to Mr. Marcos, he went to the United States with his family. In 1971, he returned to the Philippines and was seriously injured by a hand grenade during a political rally.

■ *Other deaths:*

John K. Emerson, 76, an Asian expert and retired Foreign Service officer who was deputy chief of mission of the U.S. Embassy in Tokyo from 1962 to 1967, Saturday at Stanford University Hospital in California after a stroke.

Archie J. Old Jr., 77, a retired U.S. Air Force lieutenant general who led the 1943 bombing raid against a ball-bearing works at Schweinfurt, Germany, Saturday at March Air Force Base, California.

Paulo Duarte, 84, a Brazilian his-



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**HANDSHAKE** — President François Mitterrand of France is welcomed by members of San Francisco's French community during a reception given in his honor. Mr. Mitterrand's weeklong U.S. visit, which ends Wednesday, included a two-day tour of the Bay Area.

## Portuguese Social Democrats Back Mota Pinto on Strategy

*Reuters*

LISBON — The deputy prime minister, Carlos Mota Pinto, won a policy victory at a weekend congress of his Social Democratic Party that bolsters the Portuguese coalition government, political sources said Monday.

Mr. Mota Pinto, a 47-year-old law professor, won support for continuing the party's partnership with Prime Minister Mario Soares's Socialists and postponing until January the possibly disruptive choice of a presidential candidate.

The outgoing president, António Ramalho Eanes, is barred constitutionally from a third term after his present one ends in December 1983.

A three-day congress in the northern city of Braga, Mr. Mota Pinto was elected leader of the party's National Political Committee by a majority of 60 percent. But his faction won only 25 of the 50 seats on the National Council, the main policy-making body between congresses.

His main rival, the chief of the Azores regional government, Joaquim Mota Amaral, 51, secured 19 of the 50 seats. Marcelo Rebelo de Sousa, 35, holds the balance of power with the remaining six seats.

Both favored choosing a presidential candidate immediately. Mr.

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## ARTS / LEISURE

## Philip Glass's Audacious 'Akhnaton' Premiered in Stuttgart

By David Stevens  
International Herald Tribune

**S**TUTTGART — The seemingly unlikely marriage between the European operatic establishment and contemporary American music reached a new and, in many respects, richly promising stage with the world premiere of Philip Glass's "Akhnaton" by the opera company of the Württemberg State Theatre.

Glass is the most popular creative figure in the specifically American phenomenon known variously as "minimalist," "repetitive" or "trance" music, among other overlapping terms. His music has gained relatively wide popularity on both sides of the Atlantic, largely because of the apparent simplicity of the basic material, small rhythmic and melodic building blocks that can be contemplated at great length in the trancelike state they tend to induce.

Parallel to this is Glass's interest in Oriental musical and theatrical ideas, which implies an altogether different approach to theater than usually practiced in the Old World's opera houses. His first "opera" was the 1976 "Einstein on the Beach," a Robert Wilson spectacle in which the music did not play a very assertive role. Two seasons ago for the Netherlands Opera he did "Satyagraha" on the early life of Gandhi. This work soon had a second production here, staged by Achim Freyer.

As a result, Stuttgart — whose *Generalmusikdirektor* is the American Dennis Russell Davies — commissioned "Akhnaton" (or "Echnaton," in the Teutonic orthography used here), which had its premiere Saturday under Davies's sympathetic musical direction and in Freyer's prodigiously imaginative and colorful production. The U.S.

premiere will be at the New York City Opera in the fall. The Akhnaton of the title, however spelled, is the Egyptian pharaoh of the 14th century B.C. who, in a reign lasting 17 years, overthrew the existing pantheon of gods and its priesthood and society to establish a religion with a single god, Aton, perhaps civilization's earliest approximation of monotheism mixed with a kind of sun worship. The entities this aroused, and the loss of empire and economic chaos that resulted, led to the return of the old order after Akhnaton's death, although in Glass's own libretto the pharaoh himself, his wife, Nefertiti, and their six daughters are the victims of an uprising.

It is not the surface events of Akhnaton's life and reign that come out so much in this work, but his estrangement from his world in religion, art and politics; a monarch with a misshapen body but strong ideals, and perhaps also a real model in antiquity for the Oedipus legend.

The work is in three acts and 11 scenes, with the music continuous in each act. The sung text is in different languages of antiquity, while the public is informed by a singer who appears in various guises — at the end as a guide, reading guidebooks to camera-snapping tourists about the ruins of the capital established by Akhnaton.

The action unfolds in a chronological but non-narrative way, with each scene being a tableau that presents a particular situation, but does not advance the action in any theatrically "well-made" way. The curiously busy immobility of the music matches the essentially static quality of the stage action. Yet this work moves physically and is strangely moving. Glass has adapted his minimalist ideas shrewdly to a maximalist opera house orchestra —

no violins, but almost everything else, including synthesizer and a large percussion group — and his orchestral writing bathes almost every scene in a distinct tonal color.

Freyer, who staged the work and with Ilona Freyer designed sets and costumes, contributed a daring use of lighting and color, and sometimes supplied strikingly mobile images to represent static events — beginning with an opening scene in which the passing of power from the dead pharaoh (Akhnaton's father) was conveyed by the son racing around the mummy until the wrappings had transferred from the dead to the living.

The delicate scene of the Akhnaton-Nefertiti love duet, bathed in blue light and with the couple silhouetted facing each other on mobile thrones, was another striking stage picture, as was the scene of the royal couple "at home" with their daughters (in a soft golden light), suspended on swings and framed as if in a family picture.

Vocally the production was well-served, although the writing for voices as such was the least interesting element in the musical structure. As Akhnaton, the countertenor Paul Esswood excelled, singing with an almost otherworldly resonance that helped define the part. Milagro Vargas (Nefertiti), Maria Hissman (Akhnaton's grotesquely domineering mother), Wolfgang Probst (Haremhab, leader of the military) and Arndt Baumgart (leader of the old guard priesthood) headed a large and well-knit cast.

The audience reaction was considerably more vigorous than the customary response to new works, with, at a random reckoning, a decibel ratio of about 2 to 1 in favor; in itself a just reward for Stuttgart's bold venture.

## Lagerfeld's Chanel Warm-Up

By Hélène Dorsey  
International Herald Tribune

**P**ARIS — Karl Lagerfeld will bring out his first collection today under his own name — which may explain why the Chanel ready-to-wear collection, shown Monday, was not the total success it could have been. Well aware of the fashion spotlight zeroing in on

## PARIS FASHION

him, Lagerfeld must be saving his big guns for L-Day. The director of his new house, Rose-Marie Le Gallais, sat through the Chanel show, bundled up in her fur coat — as if to hide some fashion secret.

The question at Chanel's was, "How much of it will be Chanel and how much Lagerfeld?" The answer was about 50-50 as against 75 percent Chanel and 25 percent Lagerfeld at the comme show in January. This shows the increasing hold of Lagerfeld's hand on the Chanel image — which sometimes worked and other times did not. The first part of the show was excellent, the second was mishmash at best. All of it was terribly commercial, which has never been too much of a worry here. Since Lagerfeld has been in charge, the ready-to-wear sales have been up by 45 percent, according to Michel Pietrini, director of the Chanel house.

Lagerfeld must be credited for breaking the stiff mold around the Chanel image. By playing with the proportions, changing the accessories, as well as the music and the general delivery of the show, he kept updating the image. His slightly longer skirt with definitely shorter cardigan was younger and kickier. The short T-shirt suits were new but not as successful as the toy soldier suits, made of brown jersey and Persian lamb. Lagerfeld even had a long Chanel suit, with pleated skirt almost to the ankles, but with only two such suits on the runway, this was a half-hearted effort at catching up with the rest of Paris fashions.

His combinations of poplin raincoats with very Chanel tweed cardigans worked out, but most of his pants, too big and too full, did not. Black hose with flat shoes, pearl chokers instead of long chains, and cute ribbonbed berets were cleverly mixed with the traditional boaters, gold belts, rows of gold buttons and camellia signature. The little innocuous fashion game with Yves Saint Laurent went on, as in a combination of Chanel coat with Saint Laurent-type pants.

Lagerfeld can also be thanked for broadening the Chanel base with active sportswear. Having invented the Chanel jeansuit, he opened the show with Chanel sporty outfit for all occasions, including fishing. "How chic to have your own Chanel skating suit," said Lynn Wyatt, the Houston socialite who never misses a fashion trick.

The evening wear is where Lagerfeld did not quite make it, despite the black velvet and white satin charm battalion. There were also a couple of black dresses, including a black chiffon with exquisite sequin embroidery, but the black sheer with embroidered sequined bag on the hip looked like an old Chloé and too gaudy for this house's image.

Bathrobes over pajamas may well turn into an important Paris trend. But unlike the Claude Montana ones shown over the weekend, which were quintessential chic, Lagerfeld's offer looked like, well, bathrobes over pajamas.

## Tribute to Dancer Anton Dolin

Reuters

**L**ONDON — Dame Alicia Markova is organizing a special performance with some of the world's top ballet dancers at Covent Garden June 24 in memory of Sir Anton Dolin, Britain's first international ballet star. Sir Anton died in Paris last November at the age of 79.



Lagerfeld suit for Chanel

Linda Gray (Sue Ellen in the "Dallas" television series), was captured by American Harper's Bazaar to model Paris ready-to-wear in their August issue. A former model, Gray obviously needs no help when it comes to clothes. Creating a near-riot at Dior, and the only excitement to come out of this collection, she was wearing a black leather suit by Alaïa. "I bought it in Los Angeles a year ago," she said.

Showing today in his usual humble one-room setting, Alaïa continues to be one of the most exciting fashion stories in Paris. This, unfortunately, was not the case at Dior's where Gérard Pernoux, who was designing his second women's collection, showed every sign of being stranded. With military music which seemed right out of World War I, Pernoux was on a strangely anachronistic warpath, maybe because of the confused situation in this house's management, which is suffering a power struggle at the top. Gray liked the pink shade in one of the dresses.

Other Paris collections included a few hits among a lot of misses. Jean-Paul Gaultier, who related to Kenzo and London street fashions, is to be watched, because he can be both fun and fashion. His spot on the Japanese, with fluffy black layered outfit with backs cut out to show red bottom sequin bikinis, were a riot. Michel Klein can deliver excellent knits, young and pretty and at a third of the price of more established names. Anne-Marie Beretta's story is wrapped up in one word: coats, coats and more coats.

## Two Collections of Vintage Jazz — With and Without Vocals

By Michael Zwerin  
International Herald Tribune

**I**N 1935, a teen-age named Otto Jung collecting jazz records in Frankfurt especially liked Benny Goodman, but there were often vocals and he did not like them. He wrote a letter to the Elektrola company in Berlin asking for a list of Goodman records without singers on them.

The company didn't have the answer, but passed the letter along to a young jazz fanatic in Berlin, Hans Blumthorn, who also resented singers for taking time away from instrumental improvisation. He made the list and mailed it to Jung. They began a correspondence and remain good friends today.

For purists who still cling together over such preferences, two collections of the style of jazz called "classic" are conveniently segregated. Editors Gunther Schäffer and Martin Williams have included only a token vocal or two in 80 tracks by 30 bands in their six-record Smithsonian Institution "Big Band Jazz: From the Beginning to the Fifties" collection. (Smithsonian Recordings, P.O. Box 10230, Des Moines, Iowa 50336.)

Listening to the earlier selections by Whitehead, Fletcher Henderson, McKinney's Cotton Pickers, the Casa Loma Orchestra and others from the '20s is like reading Beowulf. It's not longer a living language, the interest is purely historical. The enclosed 48-page illustrated booklet explains the origins of the form, describes pivotal performances and presents biographical information. Certain tracks have been remastered, corrections made in speed variations (which

pitched some of the original 78s into wrong keys). But moving ahead to Jimmie Lunceford, Benny Goodman and early Basie, even the most up-to-date jazz lover is bound to feel a tinge of nostalgia.

These big bands made the popular music of their time. Although many people who lament the passing of the big-band age forget how many forgettable big bands there were, these are the best as well as most popular. In its commercial impact, Benny Goodman's "Mission to Moscow" can be compared to the latest hit by the rock group AC/DC, in pre-inflationary currency, in any case. On "Stardust," Artie Shaw confirms that he is a master instrumentalist as well as a matineé idol, with taste and integrity as well as mass appeal.

Leaders were often the best musicians in their bands, as well as the best looking. Go down the line — Charlie Barnet ("Skyliner"), Duke Ellington ("Take the 'A' Train"), Woody Herman ("Bijou"). These superstars of their day, even those who led more commercial bands, like Harry James ("The Mole"), made hits out of music they were passionate about. Nowadays stars are made by playing the music they think their audience wants to buy.

Moving into the '40s and '50s with Boyd Raeburn's "Boyd Meets Stravinsky," Gil Evans' and arrangement of Charlie Parker's "Donna Lee" for Claude Thornhill's band (you have to take your hat off to Thornhill for taking such a risk after having won two Billboard magazine polls in the "sweet band" category) and Dizzy Gillespie's "Things to Come," we can sense the freezing

of the form. There was no place left to go. Classic big bands appealed increasingly to a more educated and aging audience, while a new form was born — rock.

With the simultaneous birth of the LP record, the medium changed as well as the message. Short stories became novels, short subjects features. Jazz purists of a certain age began to retreat from the threat of change into the "good old days." The unfortunate commercial necessities, singers, became the essence of pop music in the '60s; instrumentalists retreated inside parentheses.

Basically, it was only a continuation of the same form: the blues. Though electronic and slicker, jazz also remained basically blues-based. But listening to this collection it is hard to avoid the suspicion that once you exude John Coltrane, Thelonious Monk, Weather Report and Miles Davis (both of whom actually play streamlined big band jazz with small, electronically boosted combos) and only a handful more who found a way to combine quality with communication, jazz took a dive after the '50s.

It was also a continuation of the same ethic — Charlie Barnet rode a horse into a hotel lobby, the Stones threw TV sets out hotel windows. The road was still the road, and everybody was still nomadized by Basie, Smith and Billie Holiday. Which may seem like a contradiction with the opening of this review, but produced Ed Michel's two-record collection "The Jazz Singers" (Prestige) — from Smith to Flora Purim — shows that prejudice against singers in the world of jazz was just that — prejudice.

As Michel writes in his liner notes, "every-

one has her/his prejudices . . . I've never quite gotten past feeling that there was Billie Holiday and then Everybody Else." His collection refutes that prejudice, but they are choice selections by a choice handful, many of whom also felt that there was Billie and then Everybody Else, by the few who know how to make a song their own by adding vitality, risk, discovery. Their voices are instruments, and the instrumentalists backing them are anything but parenthetical. Charlie Parker with Sarah Vaughan ("Lover Man"), Ben Webster with Ella Fitzgerald ("I'm a Mellowone") and Louis Armstrong's trumpet after his vocal on "Ain't Misbehavin'" all provide organic, essential extensions to the verbal essence.

The musicians on both of these collections were forced by the technical limitations of the 78-rpm record to say what they had to say in three minutes. Economy of statement was hurt by the LP, although sound fidelity ultimately was helped. Permissiveness is not always bad, it depends on what you are permitted to do — the splendor of Coltrane would never have had a chance to bloom in three minutes. But it is hard to avoid a tinge of nostalgia listening to trumpet Fats Navarro — on Billy Eckstine's "Tell Me, Pretty Baby" (the Prestige collection) — telling such a complete story in only one blues chorus, sounding like an integral part of the arrangement rather than an overture, ending with a confident, triumphant run leading logically into the next written ensemble.

These may well have been the good old days, when jazz was art as well as a commodity, when time was swing more than money.

NYSE Most Actives		Dow Jones Averages		NYSE Index		Monday's NYSE Closing		AMEX Diaries		NASDAQ Index		AMEX Stock Index	
Adv.	Chg.	Adv.	Chg.	High	Low	Close	Chg.	Adv.	Chg.	High	Low	Adv.	Chg.
AT&T	+1.4	22.24	+2.24	199.75	198.75	198.75	+1.15	227	-2.25	251.45	249.15	249.15	+1.15
IBM	+1.2	105.50	+1.20	105.50	105.50	105.50	+1.15	212	-1.25	126.25	125.25	125.25	+1.15
GE	+1.1	114.00	+1.10	114.00	113.80	113.80	+1.10	213	-1.20	127.50	126.50	126.50	+1.10
AT&T Bells	+1.0	21.25	+1.00	21.25	21.00	21.00	+1.00	214	-1.20	22.50	22.25	22.25	+1.00
AT&T S	+0.9	21.25	+0.90	21.25	21.00	21.00	+0.90	215	-1.15	22.50	22.25	22.25	+0.90
AT&T C	+0.8	21.25	+0.80	21.25	21.00	21.00	+0.80	216	-1.10	22.50	22.25	22.25	+0.80
AT&T D	+0.7	21.25	+0.70	21.25	21.00	21.00	+0.70	217	-1.05	22.50	22.25	22.25	+0.70
AT&T E	+0.6	21.25	+0.60	21.25	21.00	21.00	+0.60	218	-1.00	22.50	22.25	22.25	+0.60
AT&T F	+0.5	21.25	+0.50	21.25	21.00	21.00	+0.50	219	-0.95	22.50	22.25	22.25	+0.50
AT&T G	+0.4	21.25	+0.40	21.25	21.00	21.00	+0.40	220	-0.90	22.50	22.25	22.25	+0.40
AT&T H	+0.3	21.25	+0.30	21.25	21.00	21.00	+0.30	221	-0.85	22.50	22.25	22.25	+0.30
AT&T I	+0.2	21.25	+0.20	21.25	21.00	21.00	+0.20	222	-0.80	22.50	22.25	22.25	+0.20
AT&T J	+0.1	21.25	+0.10	21.25	21.00	21.00	+0.10	223	-0.75	22.50	22.25	22.25	

TUESDAY, MARCH 27, 1984

International Herald Tribune

# BUSINESS/FINANCE

## FUTURES AND OPTIONS

### New Options Reduce Risks For Precious Metal Investors

By H.J. MAIDENBERG

New York Times Service

**W**hile gold has always served as a security blanket to people living in unstable places or experiencing anxiety about economic conditions, investing in the metal market has always been, paradoxically, fraught with dangers of its own.

In the United States, the three biggest dangers have been a drop in prices, such as the one that has occurred since 1980; the lost interest and dividends on savings tied up in metal, and, in all too many cases, dealers who go under or vanish with their customer's bullion.

In a move to counter the unfavorable publicity caused by the rising number of scandals involving dealers in off-exchange options, as well as to make a profit, Mocatta Metals Corp. is introducing two precious metals options. Mocatta is one of the largest dealers in precious metals, and this year it is marking its "300th" anniversary of its London parent, Mocatta & Goldsmith Ltd. (although it was recently discovered to have actually been founded 13 years earlier).

"What we hope to do is combine the best features of the ordinary option with the so-called leveraged deals that have attracted so many unwary investors in precious metals in recent times," explained Terry S. Mayer, Mocatta's marketing director.

Options are the right, but not the obligation, to buy or sell the underlying goods at a predetermined price during a specified time. Their main attraction is that their risk is limited to the one-time payment of a premium, which is the price at which the option is bought, plus the broker's commission.

A typical leveraged option differs in that the investor puts up a relatively small amount of cash and, in effect, borrows the rest from the dealer. In many leveraged deals, the investor's risk is not limited and could become substantial. Most investors get involved in leveraged deals because they require low initial cash investments.

If the value of the metal declines, investors often must put up more cash or have their holdings liquidated. This is what happens to futures traders in similar circumstances, and it is precisely what investors seek to avoid when they buy options.

On an option Mocatta introduced last week in London, the grantor of the contract would essentially share in any profits. The company's lawyers are still weighing whether the "Mocatta Guaranteed Value Bullion Options" would meet U.S. investment regulations.

But at the "Mocatta Investment Option," which Mr. Mayer will introduce this week through major brokerages and dealers, has been cleared in the United States and would work as follows:

Assume that gold is selling at \$400 an ounce, and an investor wants a three-month option to buy the metal at a strike price of \$350. Suppose that the premium for this option is \$55 an ounce, or \$5,500 for the standard 100-ounce gold option, plus the broker's commission.

Suppose further that in three months gold has declined to \$350. Ordinarily, the investor would lose his investment because the break-even point would be roughly \$405 an ounce (\$55 premium paid to buy \$400 gold at \$350 an ounce).

But the Mocatta options offer the buyer a "termination price" at the \$350 strike price. This means the investor could sell the option back to Mocatta at \$350 and thus more or less break even. But if gold drops below \$350, the termination price, or right to sell it back, expires with the option.

If gold is \$50 or above, the new Mocatta deal offers to extend the option for another three months at the carrying charge, or what it would cost anyone to finance 100 ounces of gold for the additional 90 days.

The options investor can thus "buy more time for the option to become profitable by only paying the current carrying charge and only the cost of extending the option," Mr. Mayer said.

Not only does this give the investor a longer ride for his money, but it lowers the initial premium because the time element is second only to the metal's value in determining the option premium. Perhaps more important, the new option eliminates the need for an investor to get entangled in leveraged deals that often are no more than buying the metal on costly credit.

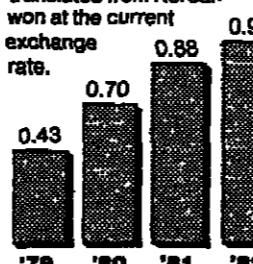
Mocatta options are available through licensed brokers and dealers.

The new options give the investor a longer ride for his money.

## Mixed Results at Korean Air Lines

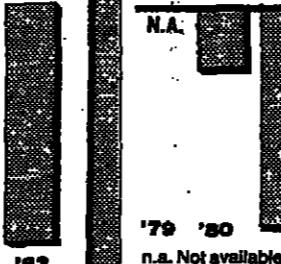
### Revenues

In billions of dollars. Note: Revenues and net income were translated from Korean won at the current exchange rate.



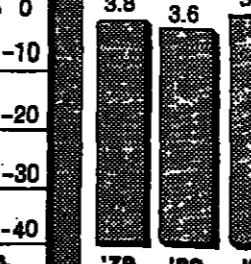
### Net Income

In millions of dollars. N.A.: Not available. Company had a loss, but did not disclose exact amount.



### Passengers

Total in millions. N.A.: Not available.



The New York Times

## Korean Air Lines Acts to Improve Image

By Clyde Haberman  
New York Times Service

getting tougher," said the new president, Cho Choon Kim, 51.

SEOUL—Several serious incidents, dominated by last September's shooting down by a Soviet fighter jet of a passenger plane in which 269 people died, have led to a series of

Senior executives, including the president, have been shifted to new jobs in recent weeks, and 14 pilots have been forced to resign. All 582 cockpit crew members have undergone tightened screening procedures, and some were demoted or transferred, according to KAL officials and industry analysts here.

The airline said that one pilot became so angry after being told to resign that he punched a senior officer.

Airline officials insist the changes do not suggest that pilot screening had been lax. "Our standards were high, but now we're

his airline after KAL's flight 007, scheduled to fly from New York to Seoul, veered off course and was shot down by Soviet missiles near Sakhalin Island. Mr. Cho would not disclose the percentage of empty seats on KAL flights after the shooting down of the South Korean passenger plane.

Although the Russians may not have been justified in downing the plane, Mr. Cho acknowledged that flight 007 was clearly flying where it should not have been. Since the tragedy, the airline says it has altered its route so that planes fly farther from Soviet-occupied Sakhalin. Crews have also received extra navigation training.

But in a separate incident in December, a KAL DC-10 cargo jet went down a wrong runway in Anchorage, Alaska, and collided with a 12-seat plane. Seven people were injured. A month later another KAL plane, landing at Seoul's Kimpo International Air-

(Continued on Page 2, Col. 5)

## Agreement Is Unlikely in Current Sugar Talks

The Associated Press

LONDON—Export shares under the proposed new International Sugar Agreement are unlikely to be determined during talks starting this week, the chairman of the discussions, Jorge Zorreguieta, said Monday.

The latest round of informal talks, at which the 18 key sugar exporting and importing nations are represented, is aimed at paving the way for formal multilateral negotiations on a new agreement in Geneva in June. The present 59-nation ISA, which cannot be extended, expires at the end of the year.

Mr. Zorreguieta, an Argentine, said that setting export entitlements, called in the jargon of the discussions Relative Export Abilities, is the fundamental issue.

Delegates said that at previous informal discussions, exporters had failed to agree on export shares and had made requests well above annual import demand.

A London sugar trader, C. Czarnikow, said in its latest market report that requests for Relative Export Abilities indicated a surplus of more than five million tons in the market.

According to an agreed frame-

work, the new ISA would attempt to balance supply with demand

with the aim of stabilizing prices within an agreed range. The present agreement has been unable to do this, because ISA exporters still have the right to ship more than the market needs annually.

The effectiveness of the pact has also been undermined by the failure of the European Community, the biggest exporter to the ISA-controlled market, to join.

The present world price of sugar is about half the minimum 13 US

cents a pound that exporters should be guaranteed.

"It is not realistic to think that we are going to have final REA figures," Mr. Zorreguieta said. But he hoped that informal discussions would help toward a common approach among exporters.

The main dispute over REAs, delegates said, is among the four biggest exporters, the EC, Brazil, Cuba and Australia. Third World

delegate sources insist that de-

mands made at the last round of informal discussion in January by the EC for an REA of \$4.5 million per metric tons are unacceptable. Cuba has also been criticized by some delegates, who preferred not to be named, for requesting too big an REA.

Mr. Zorreguieta said that he expected that REAs would not be settled until a formal negotiating session, but hoped for progress in the present talks on other issues.

## CURRENCY RATES

Late interbank rates on March 26, excluding fees.

Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates of 2:00 pm EST.

Units of 100 (x) Units of 1000 (y) Units of 10,000 (z)

N.D.: Not quoted; M.A.: not available.

1. Sterling £1.2822 Irish £

(a) Commercial Irland (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (\*)

Units of 100 (x) Units of 1000 (y) Units of 10,000 (z)

N.D.: Not quoted; M.A.: not available.

## INTEREST RATES

### Eurocurrency Deposits

March 26

	Dollar	D-Mark	French	Swiss	French	ECU	SDR
1M.	10 1/2 - 18 1/2	5.70	3 1/2 - 4 1/2	5.50 - 6.50	12 1/2 - 13 1/2	94.50 - 101.50	1.31/1.37 - 1.31/1.39
2M.	10 1/2 - 18 1/2	5.70	3 1/2 - 4 1/2	5.50 - 6.50	12 1/2 - 13 1/2	94.50 - 101.50	1.31/1.37 - 1.31/1.39
3M.	10 1/2 - 18 1/2	5.70	3 1/2 - 4 1/2	5.50 - 6.50	12 1/2 - 13 1/2	94.50 - 101.50	1.31/1.37 - 1.31/1.39
6M.	10 1/2 - 18 1/2	5.70	3 1/2 - 4 1/2	5.50 - 6.50	12 1/2 - 13 1/2	94.50 - 101.50	1.31/1.37 - 1.31/1.39
1Y.	10 1/2 - 18 1/2	5.70	3 1/2 - 4 1/2	5.50 - 6.50	12 1/2 - 13 1/2	94.50 - 101.50	1.31/1.37 - 1.31/1.39

Rates convertible to interbank deposits of \$1 million minimum (for equivalent).

### Key Money Rates

United States

Discount Rate

Federal Funds

Prime Rate

Commercial Paper

Bankers' Acceptance

Letter of Credit

Banker's Acceptance

Commercial Paper

Bankers' Acceptance

Letter of Credit

Commercial Paper



## \*\* BUSINESS ROUNDUP

**Swire Earnings Soar 39% On Cathay Pacific Earnings**

Reuters

HONG KONG — Swire Pacific Ltd. said Monday that its 1983 earnings rose 39 percent, to \$37.3 million Hong Kong dollars (\$107.3 million), from \$60.7 million dollars a year earlier.

The company's aviation sector, led by its Cathay Pacific Airways subsidiary, led the way, said Swire's chairman, Duncan Buck.

Mr. Buck said Hong Kong Aircraft Engineering Co. also contrib-

uted to the 1983 profits figures, which he did not break down. He said further expansion of Cathay Pacific was planned, including new routes to Tehran and Frankfurt and increased services to Australia.

But Swire has no plans for new projects in the property sector, despite steady sales growth of the group's residential apartments on Hong Kong Island and the expectation of a slight recovery in local property prices, Mr. Buck said.

The company's property arm, Swire Properties Ltd., has reduced its valuation reserve by 1.6 billion dollars in the last year, he added.

The net asset value of Swire Pacific was reduced to 11.09 dollars a Class A share and 2.22 dollars a Class B share by the end of last year, from 12.33 and 2.47 dollars, respectively, a year earlier. The reduction followed a revaluation of Swire's properties.

Mr. Buck said steady to higher growth is expected in all sectors of Swire Pacific, except for the offshore services division, where a fall in earnings is possible. He declined to forecast a dividend for 1984.

**British Steel Blames Strike for Output Cut**

Reuters

LONDON — Production at British Steel Corp.'s Scunthorpe works will be cut in half, to 30,000 metric tons a week, owing to low coal stocks resulting from a miners' strike, the company said.

A British Steel spokesman said Sunday that coal stocks at other plants are adequate for now. The miners' strike, now two weeks old, has closed 80 percent of Britain's 175 pits.

**COMPANY NOTES**

Broken Hill Proprietary Co. of Australia said it will acquire all shares outstanding of Umal Consolidated Ltd. after gaining more than 90 percent of Umal's issued capital in its takeover bid. Umal shareholders will receive 320 Queensland Coal Trust units for every 100 Umal shares instead of the 310 units they would have received if acceptances had exceeded 75 percent but fallen short of 90.

Deutsche Bank AG will pay a dividend of 12 Deutsche marks (\$4.56) a share for 1983, up from 11 marks a share in 1982, and plans a 1-for-12 rights issue to raise 565 million DM in new capital. It will also ask shareholders to approve a plan to issue convertible bonds of as much as 750 million DM, with a conversion price not to exceed 250 DM. The rights issue, priced at 250 DM a 50 DM nominal share, will raise nominal capital by 113 million DM, to 1.47 billion DM.

Eastern Airlines has found about 40 percent of the \$75 million it expects to earn through increased productivity in 1984, its staff newspaper, Falcon, said. Eastern has not posted a profit since 1979 and its loss last year was a record \$183.7 million. Industry sources said the chairman, Frank Borman, told a

**Germany Clears Grundig Merger**

Reuters

WEST BERLIN — The Federal Cartel Office here has approved Philips NV's takeover of Grundig AG, a spokesman for the office said Monday. Earlier in the month, West German officials had threatened to block the Dutch electronics giant from taking over the German company because of doubts about the impact on competition.

The cartel office spokesman said that as a condition for approval of the takeover, Philips has agreed to divest itself of its 15-percent stake in Loewa Opta GmbH, the West German television maker, by the end of next year. Grundig is to give up its dictating-machine sales operations by the same date.

Under an agreement reached last month, Philips will take over day-to-day operations of Grundig beginning April 1. Eventually, Philips will increase its 24.5-percent stake in Grundig to 50.4 percent.

management conference last week that his planners expect the airline to generate \$4.3 billion in revenue this year, a 10-percent increase from 1983.

Great Western Financial Corp., a California-based savings and loan holding company with interests in insurance and consumer finance, said it has obtained a listing for its common shares on the London stock exchange. The company, which issued \$100 million of floating-rate notes in Europe this month, said it is likely to raise a growing portion of its funds outside the United States.

NZ Forest Products Ltd. expects record taxed earnings of more than 70 million New Zealand dollars (\$46.3 million) in the year ending March 31, the chairman, Lyn Papps, said at a special meeting. The previous record was 61.32 million dollars earned last year.

Pan American World Airways Inc. said it will ask shareholders to approve formation of a holding company to be called Pan Am Corp. The holding company would have two main subsidiaries, Pan American World Airways, Inc., which is the airline, and Pan Am World Services, Inc., which per-

forms technical services on a contract basis.

Porsche AG, the West German car company, has called a news conference for Thursday to respond to speculation it is about to go public, a company spokesman said. Last week Adam Bathiyany, general manager of the Frankfurt-based merchant bank ABC Davis and Co., said Luisa Piech, one of the grandchildren of Porsche's founder, Ferdinand Porsche, was seeking to sell her 9.5-percent stake.

Rhône-Poulenc SA, the French state-owned chemical company, is planning to build a production plant for very pure polycrystalline silicon. The plant will have an initial capacity of 100 metric tons a year and will be the first silicon production unit in France. Some of the silicon will be converted into wafers and bars by Rhône-Siltec at a plant that Rhône-Poulenc and a U.S. company, Siltec, will build at Mantes, northwest of Paris.

Tele-Communications Inc. of the United States said it has agreed to purchase Warner-Amex Communications Inc.'s Pittsburgh cable television system for \$93.4 million in cash and debentures.

**Korean Air Lines Takes Steps Market Chilly To Improve Its Reputation**

International Herald Tribune

(Continued from Page 7)

port, skidded off an icy runway. That time no one was hurt.

It was the Anchorage collision, more than the 007 tragedy, that spurred the training and crew changes, Mr. Cho said.

Mr. Cho insisted, however, that other changes including shifts of several senior executives had nothing to do with last year's accidents and were part of a normal turnover intended to reinvigorate the company. His older brother, Choong Hoon, remains as Hanjin Group chairman.

Nevertheless, one industry analyst in Seoul said, "They're having a clear shake-up."

By many standards, 1983 was not a bad year for KAL. The airline showed a profit of \$3.2 million but better than the previous two years, when losses were recorded partly because of the low-fare policy. Revenue on cargo operations rose 15 percent in 1983 over the previous year, and the number of passengers carried, 4.8 million, was 11 percent higher than the year before.

But nearly all of the airline's passenger growth came on domestic routes, where KAL has a monopoly. The number of travelers on the 130 weekly international flights held steady, which analysts said may suggest tougher times ahead.

Air industry analysts here believe that passenger skittishness about KAL is only part of the problem. New government restrictions on overseas travel by South Koreans have hurt, as has Pan American World Airways, which joined KAL and Northwest Orient Airlines last summer in flying to the United States from Korea.

And a falloff in construction in the Middle East has pinched many South Korean companies. KAL among them. Companies based in South Korea do a considerable amount of construction work abroad, and it is estimated that

existed to 32 percent it does not already own in W.L. Carr, Sons & Co., a Hong Kong stockbrokerage.

Exco also plans to set up a stock brokerage in London with partners belonging to the stock exchange. Exchange rules limit an outside shareholder to 29.9 percent of a member firm, but that ceiling is expected to rise.

In another diversification, Exco said it has agreed to pay £1.6 million for 55 percent of London Forging Co., recently set up by Jack Wilson and Stathis Papoulias, former senior executives at Hungarian International Bank in London. The new firm will operate in the *a forfait* market, which involves trading of bank-guaranteed promissory notes or bills of exchange used to finance international trade.

The rest of the rights issue proceeds are largely earmarked for acquisitions. Richard Davey, a director of Exco, said the company wants to acquire fund management and money brokerage business in the United States.

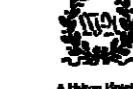
The plant, to include two cement mills and coal grinding operations, is expected to be completed in the second half of 1986.



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**DeVoe-Holbein Int. N.V.****\$ 7 1/2 Bid - \$ 8 1/4 Ask**Adjusted for recent  
2 1/4 for 1 stock split.

Prices in U.S. dollars.

Quote as of  
March 26, 1984.First Commerce Securities B.V.  
Herenweg 483  
1017 BT Amsterdam  
Telephone: 020-260901  
Telex: 14507 firco nl**FORTINAX DEVELOPMENT LIMITED****Bid: U.S. \$44. Asked: U.S. \$54**

As of date: March 26, 1984.

F. P. S.

FINANCIAL PLANNING SERVICES BV

Kohlenstraat 112, 3rd Floor

1012 PK AMSTERDAM, Holland

Phone: (020) 230477/229873; Telex: 18536

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30	11,000/13,000	23,200/25,000	—
40	11,000/13,000	22,200/24,000	—
45	12,500/22,000	25,000/28,000	15,000/17,500
48	—	32,000/45,000	9,500/11,500
50	—	—	7,000/7,500

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This announcement appears as a matter of record only.

March 20, 1984

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## SPORTS

## Houston, Georgetown Win, Join Kentucky, Virginia in Final Four

*New York Times Service*

ST. LOUIS — Houston and Georgetown completed the Final Four for the NCAA championship in Seattle.

Houston (31-4) earned its third consecutive trip to the Final Four when it defeated Wake Forest, 63-

**NCAA TOURNAMENT**

63, in the Midwest Regional final Sunday. In the West Regional final, Georgetown overpowered Dayton, 61-49.

Next Saturday, Georgetown (32-3) plays Kentucky (29-4), and Houston (31-5) goes against Virginia (21-11). The championship is set for April 2.

Houston's Akeem Olajuwon was the difference in the Midwest final. The 7-foot (2.13-meter) junior center dominated offensively and defensively in one of his more spirited games this season.

"Usually, Akeem is quiet and we try to get him fired up before a game," said Michael Young, the team's leading scorer. "But today, Akeem was going around the locker room telling us that we had to win."

Olajuwon scored 29 points, making 14 of 16 shots, most of them those rim-rattling dunks that count for 2 points but say so much more.

Wake Forest chose to concede the inside to Olajuwon, a strategy the Coach Carl Tacy would later regret.

Olajuwon's 12 rebounds and his presence made Wake Forest think about challenging him. The Deacons were more accurate in shooting long jumpers than pulling up for 10-footers that might be swatted.

Still, this was a close game throughout because Wake Forest was patient and persistent. The Deacons were able to neutralize Olajuwon in the first half especially, when Danny Young and Delaney Rudd, the starting guards, were shooting well from outside.

Wake Forest trailed Houston by only 57-55 with 5:24 to play. But Houston scored 8 of the next 10 points to pull ahead, 63-55 — enough to survive the free-throw shooting contest that followed as Wake Forest fouled repeatedly in an attempt to catch up.

Georgetown forced Dayton into shooting only 33 percent, 10 of 30, in the second half and turned the game into a rout.

"We gave everything we had," said Donohoe. "We made it to the Final Eight in the country. We're definitely down, but when we wake up Monday, we'll be as proud as if we had won it all."

"We just didn't play aggressively enough inside or out," Tacy said.

Not that it might have made much difference. Anthony Teachey, the Wake Forest center, is 6-9, not tall enough or strong enough to handle Olajuwon. But Tacy was hoping that Teachey would have gotten help from his teammates, harassing and sniping at Olajuwon, fouling him when necessary. Instead, the Deacons usually backed off when he got the ball, as if in respect.

Olajuwon's 12 rebounds and his presence made Wake Forest think about challenging him. The Deacons were more accurate in shooting long jumpers than pulling up for 10-footers that might be swatted.

Yet, perhaps the most frightening aspect of Georgetown's victory was that it was not only Ewing who was the intimidator. Other Hoyas such as Bill Marin, who had 10 rebounds, and the freshman Michael Graham, who had five rebounds and eight points — mostly on awe-inspiring dunks — followed Ewing's lead. All of this should make Georgetown's semifinal game against Kentucky the mainstay of the tournament.

"It'll be the Rockies against the Alps," said the Dayton coach Don Donohoe. "Maybe they should go with a four- or five-man referee crew or an NFL crew."

Georgetown forced Dayton into shooting only 33 percent, 10 of 30, in the second half and turned the game into a rout.

"We gave everything we had," said Donohoe. "We made it to the Final Eight in the country. We're definitely down, but when we wake up Monday, we'll be as proud as if we had won it all."

**South African Seeks to Run for U.K. in Olympics***The Associated Press*

LONDON — Zola Budd, of South Africa, the fastest woman in the world over 5,000 meters, applied for British citizenship on Monday, officials announced, apparently opening the way for her to run for Britain in the 1984 Summer Olympics.

Budd, 17, flew into Britain secretly with her parents on Saturday and was given permission to settle in Britain because she had a British-born grandfather.

"An application for registration as a British citizen arrived this morning," said Brian Willis, a spokesman for the Home Office. "It is being processed in the normal way."

British Home Secretary Leon Brittan has promised "sympathetic" consideration if Budd applies for a British passport — apparently meaning it will be speeded up to make her eligible for the British team at the Los Angeles Olympics. Budd's South African-born fa-

ther, Frank, a retired printer, is the son of a Londoner who emigrated and is regarded under British law as a naturalized citizen.

Earlier, excited British track and field officials hailed Budd's arrival, but said they had no immediate word on whether she hopes to make the British Olympic squad.

"This is a most interesting development and I look upon it with some excitement," said Nigel Cooper, general secretary of the British Amateur Athletics Board. "We are waiting to hear from her to find out exactly what she wants to do."

In January, Budd ran the fastest time in the 5,000 meters of 15 minutes, 1.83 seconds, a staggering 6.43 seconds under the world record of May Decker. Budd, who runs barefoot, also holds unofficial junior world best marks at 3,000 and 1,500 meters.

But none of the white teen-ager's achievements is recognized officially. South Africa is barred from international sports because of its policies of apartheid, or racial separation.

Budd, raised in the predominantly Afrikaans Orange Free State province, is the latest in a line of outstanding South African sportsmen and women who have left their country and sought a new nationality as the only route to the top.

Runner Sydney Maree and tennis player Johanna Kriek are both based in the United States, while cricketers Alan Lamb and Chris Smith after several years of British residence are now in the English national team.

"If she was selected for Britain, I suppose it could cause a political controversy but we would not duck out of that," Cooper said.

"As far as we are concerned, as long as she meets Olympic standards and beats our girls in the trials, then we would have to consider her," the spokesman said.

Cooper warned however: "It is

clear she is extremely talented but she has not yet taken part in serious international competition. There's big difference between running against the clock and against experienced athletes all trying to beat you."

Cooper noted that if Budd wants to try for Britain's Olympic team she will have to become British quickly.

"Obviously, if she is serious about wanting to run for Britain, we would treat the matter with the utmost urgency," Cooper said.

A South African Embassy spokesman in London said Budd had told her local club she was taking a week's vacation in the Drakensburg mountains before a series of South African competitions.

"She apparently said she wanted to get away from all the publicity. We know she has now arrived in Britain but we have no idea of her whereabouts," the spokesman said.

Cooper said she wanted to get away from all the publicity. We know she has now arrived in Britain but we have no idea of her whereabouts," the spokesman said.

**Eastwood Leads From Start to End For PGA Victory***Compiled by Our Staff From Dispatches*

NEW ORLEANS — Bob Eastwood won his first title in 12 years on the PGA Tour Sunday, capturing the New Orleans Open with a final round of 2-under-par 70 for a total of 16-under 272.

"I really feel great," said Eastwood, whose previous best finish was second place in last year's Tournament Players Championship. "I knew I could win. It was a matter of time when I could put it all together."

Eastwood, 38, held the lead for all four rounds. During the last three rounds he was the sole leader, the first time a PGA winner has led without a tie in all rounds this year. He finished three strokes ahead of runner-up Larry Rinker, who closed with a 68 to jump into second with a 275.

Grouped five strokes behind the leaders in third were Doug Tewell (72), who entered the final round in second, John Adams (68) and John Mahaffey (71). Bernhard Langer of West Germany finished sixth with a 70/278.

*(UPI, AP)***Maricica Puica of Romania and Carlos Lopes of Portugal, breaking the victory tape.***United Press International*

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